GOVERNMENT OF INDIA
WATER RESOURCES
LOK SABHA

UNSTARRED QUESTION NO:5459
ANSWERED ON:28.04.2003
PRIVATISATION IN WATER SECTOR
GADDE RAMAMOHAN;M.V.V.S MURTHI;P. RAJENDRAN;VINAY KUMAR SORAKE

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government have allowed Multi-National Companies (MNCs) in water sector as part of its reform policy;

(b) if so, the details thereof;

(c) whether some organisations have opposed this move of the Government;

(d) if so, the details thereof alongwith reasons therefor; and

(e) the response of the Union Government alongwith the corrective steps taken/proposed to be taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI BIJOYA CHAKRAVARTY)

(a) & (b) The National Water Policy-2002 provides for private sector participation in planning, development and management of water resources projects for diverse uses, wherever feasible. Private Sector Participation may help in introducing innovativeideas, generating financial resources and introducing corporate management and improving service efficiency and accountability to users. Depending upon the specific situations, various combinations of private sector participation, in building, owning, operating, leasing, and transferring of water resources facilities, may be considered. Water being a State subject, water resources schemes are planned, formulated, implemented and funded by the State Governmentsout of their own resources. A ssuch, allowing Multi-National Companies (MNCs) in water sector rests with the concerned State Government.

(c) to (e) The Ministry of Water Resources has not received anyreference in this regard. However, concerns have been expressed in various quarters regarding infringement of rights of people on water as a result of privatisation in the sector. The policy of private sector participation is towards providing facilities/services in water resources sector and not for privatisation of water as a resource.